

DEPARTMENT OF HEALTH SERVICES

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May 5 1998



TO: All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialists/Liaisons

Letter No.: 98-17

QUESTIONS AND ANSWERS ABOUT THE CHANGE IN THE DEFINITION OF A MARRIED MINOR CHILD LIVING IN THE HOME

Ref.: All County Welfare Directors Letter No. (ACWDL) 98-11

This is a follow up to ACWDL 98-11 of March 3, 1998, informing counties of the change in the definition of a married minor child who is living in the home of the parent.

Application Process

At the time of application or redetermination, the married minor's parent must apply for him/her. It is not required that counties immediately identify these persons in their existing caseload.

Linkage

As always, persons must be eligible for Medi-Cal based on linkage. The minor's parents can only be aided if they are aged, blind, disabled, or the married minor is deprived based on their unemployment, incapacity, etc. Similarly, the spouse of the married minor must have linkage if he/she is over 21.

Medical Family Budget Unit (MFBU)

Since counties may not have yet received copies of the Medi-Cal Eligibility Procedures Manual (MEPM), we are enclosing a description of the MFBU pages from Barclays. The married minor parent who is living in the home with his/her spouse/children and the minor's parents is described in Number 10 of Page 350. This MFBU composition is similar to Number 21 on Page 113 in MEPM (Revised May 1994) which describes the married child 18 to 21 who is claimed by his/her parent as a tax dependent.

There is a maximum of three MFBU's for the married minor child depending on who in the household wishes to be aided.

MFBU No. 1 [Referred to as (a) in the Regulations]

The first MFBU contains all the family members of the minor living in the home i.e., the married minor's parents or stepparent, siblings, married minor's children, and the married minor's spouse. All are ineligible except the married minor. As always, all income of these persons are counted. Although all the family's income is counted, they would receive the benefit of a large maintenance need level. There is no in-kind income between persons in the same MFBU. This MFBU would be subject to the modified Sneede/Gamma rules if the MFBU met the criteria of inappropriate deeming to the eligible minor child and this causes him/her to have a share of cost (SOC).

Modified Sneede: Sneede prohibits inappropriate deeming. However, current Sneede rules must be modified to address this MFBU since current Sneede rules would be contradictory if applied to this situation. For example, current Sneede rules specify that a married couple be together in a Mini-budget unit (MBU) (ex-minor child and spouse). Sneede also specifies that a child without income stay in the MBU with the parent(s) if there is no stepparent. Yet, the minor's parent(s) and minor's spouse have financial responsibility. Since only property ineligibility or SOC in this MFBU impacts the minor, we will prohibit inappropriate deeming by disregarding any income/property in this MBU except from the married minor child, the married minor child's parent(s) or married minor child's spouse.

This will be illustrated in the examples in Item B.

MFBU No. 2 [Referred to as (b) in the Regulations]

The second MFBU contains the married minor's spouse, the married minor's children, and the married minor as ineligible if the spouse and children wish to apply. The married minor's income is counted again which is similar to the treatment of the unmarried minor in Number 9. This MFBU would be subject to Sneede/Gamma rules if one of the children had income, or the minor or the spouse is a stepparent.

MFBU No. 3 [Referred to as (c) in the Regulations]

The third MFBU contains the married minor's parent(s) and/or parent's spouse, siblings, and the married minor as an ineligible member if the minor's parent and/or spouse and their children (siblings to the married minor) wish to be aided. The same Sneede/Gamma rules apply here as well.

Examples:

A. No Inappropriate Deeming

Mary is an 18-year-old pregnant married minor parent. She has no income. She lives with her parents, her 16-year-old sister, her spouse and their two mutual children. The children and sister have no income. Her spouse works part-time (under 100 hours) and earns \$500 income per month. The minor's parents work full time. The minor's mother earns \$1,000 net nonexempt income per month and the father earns \$1,500 net nonexempt income. The family is property eligible. Since Mary is not deprived, she must be eligible as a Medically Indigent person under 21 or under the Percent programs. The parents are not eligible because they are not aged, blind, disabled, etc. Mary's spouse and children are evaluated under the Medically Needy program because of unemployed parent deprivation. The family pays no health insurance premiums.

MFBU No. 1 (a)

Mary
[Mary's parents] IE (ineligible)
[Mary's spouse] IE
[Mary's 2 mutual children] IE
[Mary's sister] IE
Mary's unborn

Total net income = \$3,000
MNIL for 8 = \$1,692
Mary's SOC = \$1,308

Evaluate Mary for the 200%
Program for 8 = \$4,609*
Mary is eligible.

MFBU No. 2 (b)

[Mary] IE
Mary's spouse
Mary's 2 mutual children
Mary's unborn

Total net income = \$ 500
MNIL for 5 = \$1,259
Spouse and Children
have no SOC

MFBU No. 3 (c)

[Mary] IE
[Mary's parents]
Mary's sister
Mary's unborn

Total net income = \$2,500
MNIL for 5 = \$1,259
Sister's SOC = \$1,241

Evaluate Sister for 100%
Program for 5 = \$1,605*
Sister is eligible.

* 1998 Federal Poverty Level

B. Inappropriate Deeming Applies

Same scenario above except Mary has \$100 per month net nonexempt income, the two children of Mary's spouse are his separate children and Mary's sister has net nonexempt income of \$50 per month.

MFBU (a)	MFBU (b)	MFBU (c)
Mary	[Mary] IE	[Mary] IE
[Mary's parents] IE	Mary's spouse	[Mary's parents] IE (no linkage)
[Mary's spouse] IE	Spouse's separate children	Mary's sister
[Spouse's separate children] IE	Mary's unborn	Mary's unborn
[Mary's sister] i.e. Mary's unborn		
Total net income = \$3,150	Total net income = \$ 600	Total net income = \$2,650
MNIL for 8 = - <u>\$1,692</u>	MNIL for 5 = - <u>\$1,259</u>	MNIL for 5 = <u>\$1,259</u>
Mary's SOC = \$1,458	Spouse & Children 0 have no SOC	Sister's SOC = \$1,391

MFBU No. 1

In the first MFBU, the only eligible person is Mary. The only inappropriate deeming which affects Mary is the income from Mary's sister (a child with income). Rather than set up the usual MBU for all the various persons in this MFBU, for ease of administration, counties should disregard any income/property from persons who are not responsible for the one eligible married minor person in this MFBU. In this case, Mary's sister is not responsible for Mary; therefore, her \$50 will be disregarded. The remaining income will be compared to the regular Medically Needy Income Level (MNIL) for the entire family including Mary's sister. If there is a SOC, evaluate for the Percent Programs, if applicable. Compare the same amount (without Mary's sister's income) to the appropriate Federal Poverty Level (FPL) for eight.

MFBU

Mary	\$ 100
[Mary's parents] IE	\$2,500
[Mary's spouse] IE	\$ 500
[Spouse's separate children] IE	0
Mary's unborn	0
Mary's sister's income (\$50) Uncounted	
Total income	= \$3,100
Compare MNIL Chart for 8	= <u>1,692</u>
Mary has a SOC of	\$1,308

Evaluate Mary for the 200 percent
FPL program for 8 = \$4,609
Mary is eligible.

MFBU No. 2

The second MFBU contains Mary as an ineligible person, her spouse and his children. Follow the regular stepparent household rules unless only the children wish to apply: Assume the spouse's separate children wish to apply. First determine how much of the spouse's income is allocated to Mary and the separate children to see how much of the spouse's income is in the MFBU. Since the spouse has less than the \$600 parental needs allowance, nothing is allocated. The entire \$500 is available to the MFBU. If there were a remainder, this would be divided by the number of person that the spouse was responsible = three (Mary and his two children).

MFBU

(Spouse) IE	\$500
Spouse's separate children	<u>\$ 0</u>
Total	\$500

Net balance to the MFBU = \$500
Compare to MNIL for 3 = \$934
SOC for separate children = 0

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If the spouse wishes Medi-Cal, follow the regular Sneed/Gamma methodology for a stepparent household when all the persons in the household wish Medi-Cal.

MBU No. 1	MBU No. 2
(Mary) IE	Spouse's Separate Children
Spouse	
Mary's unborn	

Mary will not allocate any income to the spouse's separate children.

MFBU No. 3

The third MFBU contains Mary as ineligible, Mary's unborn, Mary's ineligible parents (no linkage), and Mary's sister.

Regular Sneed/Gamma rules apply because this MFBU has a SOC and the MFBU has two children with income, Mary and Mary's sister.

(Mary) IE	\$ 100
Mary's unborn	
(Mary's parents) IE	\$2,500
Mary's sister	<u>\$ 50</u>
Total Nonexempt income	\$2,650
Compared to MNIL for 5 =	<u>\$1,259</u>
SOC	\$1,241

Sneed/Gamma Computation:

MBU No. 1	MBU No. 2	MBU No. 3
(Mary's parents) IE	(Mary) IE	Mary's sister

Each parent is responsible for their spouse, Mary, and Mary's sister. Each may keep \$600 for their own share and allocate the remainder divided by three.

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Mary's Mother: $\$400 \div 3 = \133 to Father, Mary, and Mary's sister
Mary's Father: $\$900 \div 3 = \300 to Mother, Mary, and Mary's sister

Since there are no eligible persons in MBU No. 2 and no money allocated, this MBU will not be discussed.

MBU No. 1

Mother's own share	= \$600
Mother's share from Father	= \$300
Father's own share	= \$600
Father's share from Mother	= \$133

MBU No. 3

Mary's sister's income	= \$ 50
Allocation from Mother	= \$133
Allocation from Father	= <u>\$300</u>
Total	\$483
Compare to MBU Chart	= <u>312</u>
SOC	\$171

Mary's sister is under age 19; therefore, she should be evaluated for the 100 percent program.
The total of the net nonexempt income of both parents = \$2,500 and her income of \$50 = \$3,000.
Compare this to the FPL for four = \$1,371. Mary's sister is not eligible for the FPL program.

If you have any questions on the married ^{minor} or MFBU composition, please contact Margie Buzdas of my staff at (916) 657-0726.

Sincerely

ORIGINAL SIGNED BY

Tom Welch, Chief
Policy Section A
Medi-Cal Eligibility Branch

Enclosures

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| <p>(A) Family members living in the home.</p> <ol style="list-style-type: none"> 1. Individual adult. 2. Individual, spouse. 3. Parent, children. 4. Both unmarried parents, mutual children. 5. Both unmarried parents, mutual children, separate children of either or both parents. 6. Parent, spouse, mutual children. 7. Parent, spouse, mutual children and/or separate child of either or both parents. 8. Minor parent, minor parent's children, the minor parent's parent and that person's spouse and/or children. 9. Unmarried minor parent, second unmarried parent, their mutual children, separate children of either or both, unmarried minor parent's parent and that person's spouse and/or children. 10. Married minor parent, minor parent's spouse, their mutual children, separate children of either or both, minor parent's parent and that person's spouse and/or children. | <p>(B) MFBU</p> <ol style="list-style-type: none"> 1. Individual adult. 2. Individual, spouse. 3. Parent, children. 4. Both unmarried parents, mutual children. 5. Both unmarried parents, mutual children, separate children, except that when all the mutual children are excluded in accordance with Section 50381, each unmarried parent and that parent's separate children shall be in a separate MFBU. 6. Parent, spouse, mutual children. 7. Parent, spouse, mutual children, separate children or the parent and the separate children of that parent if the conditions of 50375 are met. 8. Two MFBU's: <ol style="list-style-type: none"> a. Minor parent as an ineligible member, minor parent's children. b. Minor parent, the minor parent's parent and that person's spouse and/or children (MFBU is determined in accordance with (3) through (7)). 9. Two MFBU's: <ol style="list-style-type: none"> a. Unmarried minor parent as an ineligible member, second unmarried parent, separate children of either unmarried parents, mutual children. b. Unmarried minor parent, the unmarried minor parent's, parent(s) and his/her spouse and/or children (MFBU is determined in accordance with (3) through (7)). 10. Three MFBU's: <ol style="list-style-type: none"> a. Married minor parent; married minor parent's spouse and children as ineligible members, and married minor parent's parent and that person's spouse as ineligible member(s). b. Married minor parent as an ineligible member, married child's spouse and children. c. Married minor parent as an ineligible member, married minor's parent and that person's spouse and/or children. |
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| <ol style="list-style-type: none"> 11. Child living with the child's parents requesting Medi-Cal for minor consent services, whose application is being processed in accordance with Section 50147.1(d)(3)(D), the child's children. 12. Sibling children if all other family members are PA or Other PA. 13. Parent, spouse if all children are PA or other PA. 14. Sibling children, caretaker relative. 15. Caretaker relative if all children are PA or other PA. 16. Sibling children, caretaker relative, caretaker relative's spouse and/or children. 17. Caretaker; sibling children; caretaker's spouse. (Spouse does not want Medi-Cal or is not eligible). 18. Caretaker; sibling children; caretaker's spouse; their own children. (Spouse has no linkage. Caretaker has linkage only as a caretaker relative). 19. Caretaker; sibling children; other related sibling children. 20. Caretaker; sibling children; caretaker's spouse is PA. (Caretaker has linkage only as a caretaker relative). 21. Caretaker; sibling children are PA; caretaker's spouse; their own children. (Caretaker has linkage only as a caretaker relative or chooses to be linked to related children other than his/her own). 22. Caretaker; sibling children; caretaker's spouse is PA; their own children. (Caretaker has linkage only as a caretaker relative or chooses to be linked to related children other than his/her own). | <ol style="list-style-type: none"> 11. Child and the child's children. 12. Sibling children. 13. Parent, spouse. 14. Sibling children and caretaker relative, when the caretaker relative chooses to be included. 15. Caretaker relative. 16. Two MFBU's: <ol style="list-style-type: none"> a. Sibling children. b. Caretaker relative and his/her spouse and/or children (MFBU is determined in accordance with (3) through (7)). 17. Caretaker; sibling children. 18. Two MFBU's: <ol style="list-style-type: none"> a. Caretaker; sibling children. b. Caretaker and caretaker's spouse as ineligible; their own children. 19. Two MFBU's: <ol style="list-style-type: none"> a. Sibling children. (Caretaker has linkage only as a caretaker relative). b. Other sibling children; Caretaker or c. Sibling children; caretaker. d. Other sibling children. 20. Caretaker; sibling children. 21. Two MFBU's: <ol style="list-style-type: none"> a. Caretaker. b. Caretaker as ineligible; spouse; his/her own children. 22. Two MFBU's: <ol style="list-style-type: none"> a. Caretaker; sibling children. b. Caretaker as ineligible member; his/her own children. |
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(C) Family members, not living in the home.

1. Person 18 to 21 when the person is claimed by his/her parent(s) as a dependent in order to receive a tax credit or deduction for state or federal income taxation.

2. Person 18 to 21, person's spouse and children, and person's parent(s) when the person is claimed by his/her parent(s) as a dependent in order to receive a tax credit or deduction for state or federal income taxation.

3. Child in foster care.

4. Sibling children in foster care.

5. Child detained or placed by a court or court designated agency under Welfare and Institutions Code Sections 300 or 601.

6. Child not living with a parent or relative for whom a public agency is assuming financial responsibility in whole or in part.

7. Child not living with a parent or caretaker relative when parents or public agencies have been contacted to determine whether they will accept legal responsibility for the child.

(D) MFBU

1. Person and parents in accordance with (A).

2. Three MFBU's.

a. Person claimed as a tax dependent; person's spouse and children as ineligible members, and person's parent(s) as ineligible members(s).

b. Person claimed as a tax dependent as an ineligible member, person's spouse and children.

c. Person claimed as a tax dependent as an ineligible member, person's parent(s).

3. Child.

4. Each sibling child is in his/her own MFBU even if placed in the same foster home.

5. Child.

6. Child.

7. Child.

included in the MFBU of the parent specified in this section. The child shall be included in the MFBU of the parent:

(1) With whom the child stays for the majority of time unless the other parent can establish that he/she has majority responsibility, as defined in (c), or care and control of the child.

(2) Who has majority responsibility, as defined in (c), when the child spends an equal amount of time with each parent.

(3) Who applies for Medi-Cal on behalf of the child, when the child spends an equal amount of time with each parent and each parent exercises an equal share of care and control responsibilities. When both parents apply for Medi-Cal for such a child, the child's MFBU shall be determined in accordance with (b).

(b) A child described in (a) (3) shall be included in the MFBU of the parent who solely meets one of the following conditions in the order specified. The parent who:

(1) Is designated in a current court order as the primary parent for purposes of public assistance, under Civil Code, Section 4600.5(h).

(2) Is eligible for Medi-Cal.

(3) Is designated, through mutual agreement of both parents, as the primary parent for purposes of public assistance.

(4) First applied for Medi-Cal on behalf of the child.

(c) For purposes of this section, when determining which parent has majority responsibility for care of a child, the following factors shall be considered. In addition, other similar factors shall also be considered as a single factor may not be determinative. The determination shall include, the extent to which the parent:

(1) Decides where the child attends school.

(2) Deals with the school on educational decisions and problems.

(3) Controls participation in extracurricular and recreational activities.

(4) Arranges medical and dental care services.

(5) Claims the child as a tax dependent.

(6) Purchases and maintains the child's clothing.

(d) Once the MFBU has been determined with (a), (b) and (c), the child shall remain in that MFBU while staying with the other parent for alternating periods of one month or less. If the child stays with the other parent consecutively for more than one month, then the child shall be included in the MFBU of that parent.

NOTE: Authority cited: Sections 10725 and 14124.5, Welfare and Institutions Code. Reference: Sections 14005.7, 14008 and 14051, Welfare and Institutions Code.

HISTORY

1. New section filed 4-17-89; operative 5-17-89 (Register 89, No. 48).

NOTE: Authority cited: Sections 10725 and 14124.5, Welfare and Institutions Code. Reference: Sections 14005.4, 14005.7, 14005.8, 14008 and 14010, Welfare and Institutions Code.

HISTORY

1. Amendment of subsections (a)(1) and (a) (4) filed 4-15-85 as an emergency; effective upon filing (Register 85, No. 16). A Certificate of Compliance must be transmitted to OAL within 120 days or emergency language will be repealed on 8-13-85. For prior history, see Register 83, No. 21.

2. Certificate of Compliance transmitted to OAL, 8-13-85 and filed 9-18-85 (Register 85, No. 38).

3. Amendment of subsection (a)(4) filed 12-3-85; effective thirtieth day thereafter (Register 85, No. 49).

4. Change without regulatory effect of subsections (a)(2) and (a)(5) (A) 10. (Register 87, No. 11).

5. Amendment of subsection (a)(3) filed 6-3-87; operative 7-3-87 (Register 87, No. 47). Ed. Note: The changes to the text of subsection (a)(3) were printed in Register 87, No. 24; however, the HISTORY NOTE was inadvertently omitted.

6. Amendment of subsection (a)(5) filed 4-17-89; operative 5-17-89 (Register 89, No. 48).

7. Editorial correction of printing error in subsection (a)(5)(B)9. (Register 93, No. 13).

8. Amendment of section and NOTE filed 12-9-97; operative 1-8-98 (Register 97, No. 50).

§ 50374. MFBU Determination—Child Stays Alternately with Each Parent.

(a) A child, who stays alternately for periods of one month or less with each of his/her parents and the parents are separated or divorced, shall be

§ 50375. Medi-Cal Family Budget Unit Determination, Stepparent Cases.

(a) Family members in a family which includes a stepparent shall be in the same MFBU unless only the separate children of one parent wish to receive Medi-Cal.

(b) If the applicant requests that only the separate children of one parent receive Medi-Cal, the right to make this choice and its effects shall be explained to the applicant at the time of the face-to-face interview.

(c) The stepparent unit shall consist of the following:

(1) Stepparent.

(2) Parent.

(3) Mutual children.

(4) Stepparent's separate children.

(d) When only the separate children of one parent will receive Medi-Cal:

(1) The parent of the separate children shall be an ineligible member of the separate children's MFBU in accordance with Section 50379(e).

(2) The members of the stepparent unit, other than the parent of the separate children shall be excluded from the MFBU in accordance with Section 50381(b).

NOTE: Authority cited: Sections 10725 and 14124.5, Welfare and Institutions Code. Reference: Sections 14005.4, 14005.7, 14008, 14051 and 14052, Welfare and Institutions Code.